

**Conference on the Effective Investigation and Prosecution of
Customs and Tax Evasion Cases with the
Department of Justice (DOJ), Bureau of Customs (BOC)
and Bureau of Internal Revenue (BIR)
September 18-19, 2008
Mt. Malarayat Golf & Country Club, Lipa, Batangas City**

**Talking Points: Closing Ceremonies
Mr. Carlos Gavino, USAID**

Acknowledgements:

Chief State Prosecutor Jovencito R. Zuño

Assistant Chief State Prosecutor Miguel F. Gudio, Jr.

Assistant Chief State Prosecutor Pedrito L. Rances

BIR Deputy Commissioner Gregorio V. Cabantac

Customs Deputy Commissioner Reynaldo V. Umali

Prosecutors of the DOJ task forces on revenue cases

and against smuggling

Members of the BOC RATS and BIR RATE teams

I would like to congratulate the Department of Justice, Bureau of Customs, and the Bureau of Internal Revenue for concluding a very productive conference. What you have accomplished in the last two days are crucial inputs towards the successful implementation and sustainability of the BIR Run After Tax Evaders and the BOC Run After Smugglers programs.

USAID is pleased to know that you have come up with an inter-agency operational plan outlining issues confronting your work and the necessary steps to address these issues. We will look into the plan and see how we can support you further to ensure its effective implementation. We see this as an important step in strengthening the cooperation and relationship between your agencies in achieving the twin objectives of the RATS (Run After The Smugglers) and RATE (Run After Tax Evaders) programs which are to enhance revenue generation and prosecute smugglers and tax evaders for their criminal liabilities.

The US Government, through the Millennium Challenge Corporation and USAID, has been providing technical assistance under the Philippine Threshold Program to both the Bureau of Internal Revenue (its RATE program) and the Bureau of Custom (RATS unit). Our technical assistance is directed at strengthening the investigative and prosecution capacities of RATE and RATS with the objective of curbing revenue leakages. Increasing the number of case filings and convictions are some of the critical performance indicators of the Philippine Threshold Program. Meeting these Threshold indicators is an important step in qualifying for Compact status, which makes the Philippines eligible for more U.S. development funding.

The successful prosecution of tax and smuggling cases require the involvement of the Department of Justice (DOJ) which was not originally included in the Threshold Program. As the primary prosecuting arm of the government, DOJ engagement is essential to successful prosecution of smuggling and tax evasion cases. The

MCA-PTP has now extended its program to improve the interaction between the BIR/RATE, and BOC/RATS and DOJ.

We also applaud the DOJ Task Force Against Smuggling and the BOC RATS team in signing the MOA which we see as a key initiative that will reinforce the anti-smuggling campaign of the government. This also complements the earlier MOA between DOJ and BIR to cooperate on tax evasion cases. It is our hope that this will lead to an agreement on deputizing RATE/RATS lawyers in the prosecution of these cases.

We hope that this conference not only served as a venue for collegial discussions on current challenges faced by the DOJ, BIR and BOC but will also be instrumental in the continuous discussions between and among all of you in your future undertakings.

Although challenges and issues will confront each step you will take in the performance of your mandates, we hope that you will not falter. We appreciate your commitment to this important work, and encourage you to carry forward the momentum you've generated these past two days.

Thank you very much. Good day.